

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Approval of the Retirement of Diablo Canyon Power Plant, Implementation of the Joint Proposal, and Recovery of Associated Costs through Proposed Ratemaking Mechanisms (U39E)	Application 16-08-006 (Filed August 11, 2016)
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**DECISION GRANTING COMPENSATION TO NATURAL RESOURCES
DEFENSE COUNCIL FOR SUBSTANTIAL CONTRIBUTION TO
DECISION 18-01-022**

Intervenor: Natural Resources Defense Council	For contribution to Decision 18-01-022
Claimed: \$44,937.50	Awarded: \$37,384.70
Assigned Commissioner: Michael Picker	Assigned ALJ: Peter V. Allen
I hereby certify that the information I have set forth in Parts I, II, and III of this Claim is true to my best knowledge, information and belief. I further certify that, in conformance with the Rules of Practice and Procedure, this Claim has been served this day upon all required persons (as set forth in the Certificate of Service attached as Attachment 1).	

PART I: PROCEDURAL ISSUES:

A. Brief description of Decision:	Decision 18-01-022 approves PG&E's proposal to retire Diablo Canyon, approves \$222.6 million for employee retention and retraining and \$18.6 million for its license renewal activities, and adopts a commitment that no GHG emissions occur due to retirement. The Decision denies rate recovery for the Community Impacts Mitigation Program and finds that replacement procurement issues will be addressed in the Integrated Resource Planning proceeding.
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PROPOSED DECISION

- B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:

	Intervenor	CPUC Verified
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference (PHC):	10/6/2016	Verified
2. Other specified date for NOI:	n/a	
3. Date NOI filed:	11/6/2016	Verified
4. Was the NOI timely filed?		Yes
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	A.17-01-013 et al.	Verified
6. Date of ALJ ruling:	May 3, 2017	Verified
7. Based on another CPUC determination (specify):	n/a	
8. Has the Intervenor demonstrated customer or customer-related status?		Yes
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A.17-01-013 et al.	Verified
10. Date of ALJ ruling:	May 3, 2017	Verified
11. Based on another CPUC determination (specify):	n/a	
12. Has the Intervenor demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.17-12-009	D.18-01-022
14. Date of issuance of Final Order or Decision:	1/16/2018	Verified
15. File date of compensation request:	3/19/2018	Verified
16. Was the request for compensation timely?		Yes

PART II: SUBSTANTIAL CONTRIBUTION:

- A. Did the Intervenor substantially contribute to the final decision (*see* § 1802(i), § 1803(a), and D.98-04-059).

Intervenor’s Claimed Contribution(s)	Specific References to Intervenor’s Claimed Contribution(s)	CPUC Discussion
NRDC participated actively in this proceeding including: 1.) negotiations with the Joint Parties and the Settling Parties,		Noted

<p>both prior to and following PG&E's submittal of its application; 2) participation in extensive settlement discussions with a broader group of parties; 3.) submittal of testimony; 4.) presentation of a witness and cross-examination of other parties' witnesses at hearings; 5.) filing of a brief; 6.) participation in oral argument before the Commission; 7.) filing of comments on the Proposed Decision.</p>		
<p>B. Development and support of the joint proposal NRDC was a key participant in negotiations between PG&E and a group of parties that resulted in the Joint Proposal to retire the Diablo Canyon Power Plant and to replace the output with greenhouse gas free resources. These negotiations underlay PG&E's application in this proceeding which reflected the contributions of NRDC to that agreement.</p> <p>The joint proposal established the focus for this proceeding and ultimately provided the core of the Commissions' final decision, which adopted outright some aspects of the joint proposal (e.g. retirement and a commitment to avoiding an increase in GHG emissions), deferred others (e.g. specific decisions on replacement procurement), and modified others (e.g. the worker retention program).</p>	<p>Rebuttal Testimony of Peter Miller on Behalf of the Natural Resources Defense Council, pp. 2-3. Dated March 17, 2017</p> <p>Brief of the Natural Resources Defense Council, pp. 1-5. Dated May 26, 2017</p> <p>Ex Parte Letter from Joint Parties to Commissioners, dated Aug. 18, 2017.</p> <p>Comments of the Natural Resources Defense Council on the Administrative Law Judge's Proposed Decision, pp. 2-3. Dated November 29, 2017</p> <p>FINAL DECISION, <u>D. 18-01-022</u>: Findings of Fact</p> <p>p. 50, FOF 1: "Continuing operation of Diablo Canyon Unit 1 beyond 2024 and Unit 2 beyond 2025 would require renewal of NRC licenses, and would not be cost effective."</p> <p>Conclusions of Law</p> <p>p. 51, COL 1: "PG&E's proposal to retire Diablo Canyon Unit 1 by 2024 and Unit 2 by 2025 is</p>	<p>Verified</p>

	reasonable, and should be approved.”	
<p>E. Replacement procurement discussion</p> <p>A primary focus of NRDC’s advocacy in this proceeding was on the proposal to fully replace the output of Diablo Canyon with GHG-free resources. NRDC advocated for this position in negotiations with other parties and provided evidence and argument in testimony, briefs and comments.</p> <p>Among the Joint Parties, NRDC’s led the advocacy in support of the procurement of energy efficiency through the proposed tranche #1. NRDC provided evidence and argument in support of energy efficiency and responded in detail to advocacy against this procurement by other parties.</p>	<p>Rebuttal Testimony of Peter Miller on Behalf of the Natural Resources Defense Council, pp. 3-8. Dated March 17, 2017</p> <p>Hearing Transcript Vol. 7, pp. 1140-1164</p> <p>Brief of the Natural Resources Defense Council, pp. 5-10. Dated May 26, 2017</p> <p>Comments of the Natural Resources Defense Council on the Administrative Law Judge’s Proposed Decision, pp. 3-6. Dated November 29, 2017</p> <p>FINAL DECISION, <u>D. 18-01-022</u>: p. 19: “It is the intent of the Commission to avoid any increase in greenhouse gas emissions resulting from the closure of Diablo Canyon.”</p>	Verified

B. Duplication of Effort (§ 1801.3(f) and § 1802.5):

	Intervenor’s Assertion	CPUC Discussion
a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding? ¹	Yes	Verified
b. Were there other parties to the proceeding with positions similar to yours?	Yes	Verified
c. If so, provide name of other parties: Friends of the Earth (FOE), Alliance for Nuclear Responsibility (A4NR), Center for Energy Efficiency and Renewable Technologies (CEERT), Green Power Institute (GPI), Environmental Defense Fund (EDF), Sierra Club, Pacific Gas and Electric (PG&E).		Verified

¹ The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

<p>d. Intervenor’s claim of non-duplication:</p> <p>NRDC’s participation in this proceeding was efficient and focused as a result of a conscientious effort to collaborate with other parties and avoid unnecessary duplication of effort.</p> <p>NRDC worked closely and efficiently with the other Joint Parties to negotiate the Joint Proposal, which offered solution to many of the contentious issue surrounding the operation of Diablo Canyon.</p> <p>Following submittal of the Joint Proposal, NRDC focused its participation on the issue of replacement procurement with a specific focus on the proposed Tranche #1 investment in energy efficiency. This issue made use of NRDC’s particular expertise in energy efficiency procurement and allowed other members of the joint parties to focus their advocacy on other issues.</p> <p>We urge the Commission to recognize the extent to which the collaboration among NRDC and the other joint parties substantially minimized the time spent in this proceeding, by maximizing each group’s strengths and skills and by managing our collective work.</p>	<p>Noted</p>
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PART III: REASONABLENESS OF REQUESTED COMPENSATION:

A. General Claim of Reasonableness (§ 1801 and § 1806):

<p>a. Intervenor’s claim of cost reasonableness:</p> <p>The costs for which NRDC seeks compensation are reasonable in light of NRDC’s substantial contribution to the Commission’s deliberations in this case as well as the quality and efficiency of NRDC’s participation as an advocate. NRDC’s participation was “productive, necessary, and needed for a fair determination of the proceeding.” (Pub. Util. Code § 1801.3(f).)</p> <p>NRDC’s focus in this proceeding was on the development and adoption of a plan for the orderly retirement of Diablo Canyon power plant and its replacement with lower cost, GHG-free resources. As detailed in multiple filings, this approach was intended to achieve the benefits of lower costs for consumers and continued progress towards California’s environmental objectives. Community and worker transition assistance was a key part of this plan as well due to the overriding importance of ensuring safe operation of the plant through the end of its operating life.</p> <p>NRDC brought to bear decades of experience and expertise to support the collaborative development of this plan, working closely with an array of key stakeholders in order to promote an efficient and timely proceeding and resolution of the issues.</p>	<p><u>CPUC Discussion</u></p> <p>Noted</p>
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b. Reasonableness of hours claimed:				Noted
NRDC’s Claims are Reasonable and Conservative.				
<p>Peter Miller led NRDC’s efforts in this proceeding. Mr. Miller worked closely with multiple NRDC staff that consulted regularly on the issues at stake in the proceeding, provided substantive work, technical support, and/or guidance particular to their area of expertise. In particular, NRDC Attorney Ralph Cavanagh – with forty years of experience - was active in a number of aspects of this proceeding, including participation in negotiations, drafting and review of key documents, preparation of the NRDC witness, and oral argument before the Commission. However, no hours have been claimed for time spent by staff other than Mr. Miller.</p> <p>The rate requested by NRDC is purposefully conservative and low on the ranges approved by the Commission, even though the level of expertise would justify higher rates. NRDC maintained detailed time records indicating the number of hours that were devoted to proceeding activities. All hours represent substantive work related to this proceeding.</p> <p>The amounts claimed are further conservative for the following reasons: (1) No time is claimed for internal coordination within NRDC, only for substantive policy development; (2) although NRDC spent time developing and coordinating positions with other stakeholders, we only claim partial time for this coordination over the entire proceeding; (3) we do not claim time for substantive review by NRDC staff, even though their expertise was critical to ensuring productive recommendations; (4) we claim no time for travel, and (5) we claim no time spent on citations, creating an exhibit list, or citing to discovery responses.</p> <p>In sum, NRDC made numerous and significant contributions on behalf of environmental and customer interests, all of which required extensive research and analysis. We took every effort to coordinate with other stakeholders to reduce duplication and increase the overall efficiency of the proceeding. Since our work was efficient, hours conservative, and billing rates low, NRDC’s request for compensation should be granted in full.</p>				
c. Allocation of hours by issue:				Noted
		Total Hrs	Total %	
A	General Participation	45	20	
B	Development and support of the joint proposal	87.5	39	
C	Settlement discussions	35.25	16	
D	Retirement of Diablo Canyon	3.75	2	
E	Replacement procurement	41	18	
F	Preparation of intervenor compensation claim	12	5	
	Total	224.5	100	

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
P. Miller	2016	116.5	\$190	D.16-02-023	\$22,087.50	89.13 [A]	\$190.00	\$16,934.70
P. Miller	2017	92.25	\$200	D.16-02-023 & COLA in ALJ Res-345	\$18,450.00	92.25	\$200.00	\$18,450.00
P. Miller	2018	16	\$200	D.16-02-023 & COLA in ALJ Res-345	\$3200.00	4.00 [B]	\$200.00	\$800.00
Subtotal: \$ 43,737.50						Subtotal: \$36,184.70		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
P. Miller	2018	12	\$100.00	1/2 of 2018 rate	\$1200.00	12.00	\$100.00	\$1,200.00
Subtotal: \$1,200.00						Subtotal: \$1,200.00		
TOTAL REQUEST: \$44,937.50						TOTAL AWARD: \$37,384.70		
<p>**We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenor’s records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision-making the award.</p> <p>**Travel and Reasonable Claim preparation time typically compensated at ½ of preparer’s normal hourly rate</p>								

C. Attachments Documenting Specific Claim and Comments on Part III:

Attachment or Comment #	Description/Comment
Attachment 1	Peter Miller's time record
Comment 1	N/A

D. CPUC Disallowances and Adjustments:

Item	Reason
[A]	Time claimed prior to the release of the Joint Proposal (June 2016) is reimbursable at 50%. Only parts of the Joint Proposal made a substantial contribution to the decision on this proceeding.
[B]	Double billed 12 hours of ICOMP in 2018 for Miller.

PART IV: OPPOSITIONS AND COMMENTS

(Within 30 days after service of this Claim, Commission Staff or any other party may file a response to the Claim (*see* § 1804(c)))

A. Opposition: Did any party oppose the Claim?	No
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B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(c)(6))?	Yes
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FINDINGS OF FACT

1. Natural Resources Defense Council has made a substantial contribution to D.18-01-022.
2. The requested hourly rates for Natural Resources Defense Council's representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$37,384.70.

CONCLUSION OF LAW

1. The Claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

ORDER

1. Intervenor is awarded \$37,384.70.

2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company ratepayers shall pay Natural Resources Defense Council the total award. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning June 3, 2018, the 75th day after the filing of Natural Resources Defense Council's request, and continuing until full payment is made.
3. The comment period for today's decision is waived.

This decision is effective today.

Dated _____, at San Francisco, California

APPENDIX

Compensation Decision Summary Information

Compensation Decision:		Modifies Decision?	
Contribution Decision(s):	D1801022		
Proceeding(s):	A1608006		
Author:	ALJ Peter Allen		
Payer(s):	Pacific Gas and Electric Company ratepayers		

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
Natural Resources Defense Council	March 19, 2018	\$44,937.50	\$37,384.70	N/A	Double billed hours in 2018. Miscalculation of 2016 hours.

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Peter	Miller	Expert	NRDC	\$190.00	2016	\$190.00
Peter	Miller	Expert	NRDC	\$200.00	2017	\$200.00
Peter	Miller	Expert	NRDC	\$200.00	2018	\$200.00

(END OF APPENDIX)